



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 22, 1998

### **H.R. 3891** **Trademark Anticounterfeiting Act of 1998**

*As ordered reported by the House Committee on the Judiciary on July 16, 1998*

CBO estimates that enacting H.R. 3891 would not result in any significant cost to the federal government. Enactment of H.R. 3891 could affect direct spending and receipts, so pay-as-you-go procedures would apply to the bill. However, CBO estimates that any impact on direct spending and receipts would not be significant. H.R. 3891 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

Enacting H.R. 3891 would make it a federal crime to alter or remove product identification codes on any goods or packaging sold in interstate or foreign commerce. Under current law, only certain goods, such as pharmaceuticals and medical devices, are protected from code tampering. The bill also would provide for criminal penalties, imprisonment, the seizure of certain goods, and civil remedies for those injured by such tampering.

Because those prosecuted and convicted of altering a product identification code could be subject to fines, the government might collect additional fines if H.R. 3891 is enacted. Collections of such fines are recorded in the budget as governmental receipts (revenues), which are deposited in the Crime Victims Fund and spent in the following year. Any such collections and spending are likely to be negligible, however, because few cases are likely to arise under this bill. H.R. 3891 would also result in little or no change in the amount of receipts deposited in the Assets Forfeiture Fund.

Finally, CBO estimates that any additional burden placed on the federal court system or the federal prison system would not result in any additional significant costs. Any additional costs would be subject to the availability of appropriated funds.

The CBO staff contact for this estimate is Susanne S. Mehlman. This estimate was approved by Paul N. Van de Water, Assistant Director for Budget Analysis.